VZCZCXRO1531 PP RUEHFK DE RUEHKO #5031 3020521 ZNR UUUUU ZZH P 290521Z OCT 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 9019 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/USFJ PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 4032 RUEHOK/AMCONSUL OSAKA KOBE 7697 RUEHBJ/AMEMBASSY BEIJING 9781 RUEHMO/AMEMBASSY MOSCOW 1941 RUEHUL/AMEMBASSY SEOUL 5835 RUCNDT/USMISSION USUN NEW YORK 6643 RHEHAAA/NSC WASHDC

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STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

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TAGS: OIIP KMDR KPAO JA

SUBJECT: TOKYO MEDIA REACTION - IRAN

LEAD STORIES: Top stories on Monday morning include the USG-GOJ row over the rent for the US Embassy grounds in central Tokyo, as well as planned sworn Diet testimony today by former Defense Minister Moriya about his relationship with a former defense hardware trading firm executive.

- 11. "What Happened to Syria-DPRK Connection?" The Liberal Mainichi wrote (10/29): "The US has decided to slap additional sanctions on Iran for its continued uranium enrichment.... The US has also claimed that Iran has been supplying arms to the Taliban and to Shiite militias in Iraq. However, Iran was close to war with the Taliban in the late 1990s over the Islamic group's killing of Iranian diplomats. It is questionable whether the two groups are in an alliance. The US claim that they are in alliance is reminiscent of its contention that there were links between al-Qaeda and the Saddam Hussein regime concerning 9/11. The US has a tendency to lump groups hostile to it together.... This is an approach that ends in failure.... Doubts about US intelligence collection have been raised concerning Washington's steadfast refusal to confirm a reported air strike in early September by Israel on a Syrian nuclear facility that was allegedly built with technical cooperation from North Korea....
- 12. "It is because it recognizes the gravity of the situation that the US is avoiding confirming the strike. Israel similarly hit an Iraqi nuclear reactor in 1981, and there is a possibility that Israel this time as well launched a preemptive attack to set back Syria's nuclear development. It is not possible that the US is unaware of the details about the Israeli operation. Right now, the truth about the strike must be provided. If the US willfully refuses to release such information, it could mislead the international community concerning the six-party talks and the war on terrorism."
- 13. "US-Iranian Confrontation Entering New Stage?" The business-oriented Nikkei editorialized (10/29), "The additional US

sanctions on Iran are intended to enlarge the scope of effective punitive measures being imposed outside a UN framework. While the sanctions were adopted unilaterally by the US, European and Japanese corporations will become increasingly hesitant to do business with Iran, as the sanctions are bound to increase the risk in account settlements and monetary remittances.... No signs have yet emerged that Tehran is ready to make significant concessions. Iran cannot be allowed to buy time forever. If no progress is made by the end of the year on the nuclear issue, the UN Security Council and EU are likely to consider enhanced sanctions. The next few months will be an important time, and careful attention must be paid to the situation surrounding Iran."

SCHIEFFER